

**1-800-4-A-NOVA-7015**

**512.354.1784 direct**  
**877.437.5755 fax**  
**soleary@goberhilgers.com**

November 25, 2014

**VIA ELECTRONIC MAIL**

**Mr. Jeff S. Jordan  
Supervisory Attorney  
Federal Election Commission  
999 E Street, NW  
Washington, DC 22210**

Re: MUR 6891

Dear Mr. Jordan:

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COMMISSION  
2014 NOV 25 PM 3:11  
CELA

Beat REID PAC (the "Committee") and Steve Rebillot, through counsel, hereby respond to the complaint designated MUR 6891 alleging violations of the Federal Election Campaign Act, as amended (the "Act"). The complaint, filed by "veteran Democratic operative" and Democratic National Committee's former Communications Director, is nothing but a politically charged campaign to abuse the civil enforcement process, and turn the Complaints Examinations and Legal Administration ("CELA") into Mr. Woodhouse's personal legal henchman.

While CELA is bound by the procedural rules for the civil enforcement process, and this Committee supports and appreciates CELA's dedication to its duties, Mr. Woodhouse knows full well that the weight of letter from the Federal Election Commission ("Commission") that makes overtures of wrongdoing is likely to silence the political speech of some committees; so, as the CELA record no doubt reflects<sup>2</sup>, Mr. Woodhouse remains a prolific mud-slinger, filing a number

<sup>1</sup><http://www.washingtonpost.com/blogs/post-politics/wp/2014/10/15/democratic-legal-watchdog-group-accuses-rnc-and-outside-groups-of-illegal-coordination/>

<sup>2</sup> "All anyone really needs to know is that this complaint comes from a front group linked to the Democracy Alliance, Democrat operative David Brock, and former DSCC spokesperson Brad

**1005 Congress Ave  
Suite 350  
Austin, TX 78701  
T | 512.354.1787**

**2101 Cedar Springs Rd  
Suite 1050  
Dallas, TX 75201  
T | 214.842.6829**

1028 G St  
Lincoln, NE 68508  
T | 402.218.2106

**14301 FNB Pkwy  
Suite 100  
Omaha, NE 68154  
T | 402.218.2106**

**1155 F St NW  
Suite 1050  
Washington, DC 20004  
T | 202.417.3529**

of complaints against committees he considers "opposition" PACs in the hopes the respondent-committees will suffer in reputation or financially and provide Mr. Woodhouse with his "happy" consequence to CELA carrying out its official duties. At the very least, this complaint, like the many others filed<sup>3</sup> by Mr. Woodhouse, is a ploy to drain the resources of Beat REID PAC as it expends its resources to defend against baseless allegations that are the subject of MUR 6891.

It is preposterous to file such a compliant and suggest that Beat REID PAC has attempted to mislead the public into believing that the Committee has been "authorized" by any candidate, much less "Senator Harry Reid, the senior senator from Nevada". The allegation in the complaint against "Beat Reid [sic] PAC" serves to demonstrate Mr. Woodhouse's preference to see only what he wants to see. He brought the Commission into his vision by beginning with the misspelling the Committee's name so that the Committee's name would appear to contain a surname.

As a "veteran Democratic operative", Mr. Woodhouse knows full well that since the 2 U.S.C. § 432 (now 52 U.S.C. § 30102) was passed as part of the original Federal Election Campaign Act of 1971<sup>4</sup>, we have had the benefit of clarifications brought by several court opinions<sup>5</sup> over the last five years. These cases<sup>6</sup> echo the principle: the Act and its regulations that govern campaign finance and political speech are not designed to suppress citizens' first amendment right to engage in oppositional political speech. It is clear Mr. Woodhouse hoped to goad CELA into action against Beat REID PAC by dangling an over-simplistic analysis of the facts while ignoring cases like *Buckley*<sup>7</sup> and *Common Cause*<sup>8</sup> that teach that no matter how effective an overly broad exercise of regulatory authority can be to advance the government's interest to "provide the electorate with information" about the sources of political campaign funds, to deter corruption and to enforce anti-corruption measures<sup>9</sup>, respectfully, the Commission must allow the maximum of first amendment freedom of expression in political campaigns commensurate with Congress' regulatory authority.<sup>10</sup> (The Committee concedes, in fairness, that an alternative plausible explanation is that Mr. Woodhouse is simply and

Woodhouse," [Levi] Russell said in a statement. "We fully expect this complaint will be dismissed, as all frivolous complaints should be." <http://www.washingtonpost.com/blogs/post-politics/wp/2014/10/15/democratic-legal-watchdog-group-accuses-rnc-and-outside-groups-of-illegal-coordination/>

<sup>3</sup> *Id.*

<sup>4</sup> Pub. L. No.92-224, §§ 301-306, 86 Stat. 3, 11-16 (Feb. 7 1972).

<sup>5</sup> See e.g., *McCutcheon v. FEC*, 572 U.S. \_\_\_\_ (2014); *Citizens United v. FEC*, 558 U.S. 310 (2010); *Carey v. FEC*, 791 F. Supp. 2d 121 (D.C. 2011); *SpeechNow. Org v. FEC*, 599 F.3d 686 (D.C. Cir. 2010); *Texans for Free Enterprise v. Texas Ethics Commiss*, 13-50014 (5th Cir. 2013).

<sup>6</sup> *Id.*

<sup>7</sup> *Buckley v. Valeo*, 424 U.S. 1 (1976)

<sup>8</sup> *Common Cause v. FEC*, 655 F. Supp. 619 (D.D.C. 1986) rev'd, 842 F.2d 436 (D.C. Cir. 1988)

<sup>9</sup> *Buckley v. Valeo*, 424 U.S. at 66.

<sup>10</sup> *Common Cause v. FEC*, 842 F.2d at 448.

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completely ignorant of the law and its application despite his knowledge of the Commission's civil enforcement process.)

Thankfully, these kinds of competing interests are not questions that are presented in this complaint. The name of the committee is "Beat REID PAC".<sup>11</sup> The Committee very clearly indicated on the Statement of Organization<sup>12</sup> that it is a non-connected committee and it submitted its "IE-Only Letter"<sup>13</sup>, a template provided by the Commission, post-*Citizens United*, to plainly distinguish independent expenditure committees from all other types of committees. Therefore, the Committee unequivocally denies that the Committee has violated 2 U.S.C. § 432(e)(4) (now 52 U.S.C. § 30102(e)(4)) as purported in the complaint.<sup>14</sup>

Despite what Mr. Woodhouse would have you think, Sen. Harry Reid's name is not used in the Committee's name.<sup>15</sup> In fact, this Committee is unambiguously<sup>16</sup> named in such a way that the public is fully informed about who is speaking, what the Committee's motives are and who is funding the Committee's political speech; further, it is named such that no reasonable person could mistake Beat REID PAC for a committee authorized by a candidate.<sup>17</sup> Thus, Beat REID PAC has fully complied with its registration and reporting obligations under the Act and in keeping with court cases since its enactment more than forty years ago.

<sup>11</sup> See the Statement of Organization originally filed October 1, 2014. <http://docquery.fec.gov/cgi-bin/fecimg/?C00569129>

<sup>12</sup> FEC Form 1 does not include selections for independent expenditure-only and except for minor changes to page 1 in 2012, the form has not been updated since *Citizens United*. See "Revised 02.2009" at <http://www.fec.gov/pdf/forms/fecfrm1.pdf>. Additionally, the FEC Form 1 Instructions have not been updated since 2009. See "Revised 02/09" at <http://www.fec.gov/pdf/forms/fecfrm1i.pdf>. The only change made registration rules to conform to *Citizens United* was the creation of a template letter that permitted committees to declare themselves to be independent expenditure-only committees. See footnote 13 herein.

<sup>13</sup> See "Letter independent expenditure-only committees may use in conjunction with Form 1, pending forthcoming Commission rulemakings." <http://www.fec.gov/info/forms.shtml>

<sup>14</sup> While it is true that at least one court has made the observation that the text of 2 U.S.C. § 432(e)(4) (now 52 U.S.C. § 30102(e)(4)) poses some "genuine ambiguity" on the issue of naming a committee, Beat REID PAC is aware that the Commission will no doubt continue to engage in separate rulemaking in response to the latest court decisions and in due time reach regulations guiding 2 U.S.C. § 432(e)(4) (now 52 U.S.C. § 30102(e)(4)).

<sup>15</sup> Beat REID cannot and should not be held responsible for the functionality of the Commission's website. The search functionality on the Commission's website reveals search-results for any and all matching committee names in all caps, regardless of the content of the Statement of Organization,

<sup>16</sup> Since Beat REID PAC is not a separate segregated fund, the question of whether such an acronym is a "clearly recognized abbreviation or acronym by which the connected organization is commonly 'known'", pursuant to 11 CFR 102.14(c), is not relevant.

<sup>17</sup> *Merriam-Webster Dictionary* (2014). Defining "beat" as "a: overcome, defeat; also : surpass —often used with out; b: to prevail despite <beat the odds>". <http://www.merriam-webster.com/dictionary/beat>

The content of Beat REID PAC's political speech should have no bearing on the determination of this MUR. Should you consider the content of this Committee's message, it only further supports the fact that its name does not contain a candidate's name. As it is likely no surprise that as an independent expenditure-only committee, Beat REID PAC and its supporters have common hot-button issue that motivate the political speech. Beat REID PAC is dedicated to stopping the politicians that drove this country into Reckless, Endless, Insurmountable Debt.<sup>18</sup> Yes, the Committee will consider it a victory if Sen. Harry Reid and politicians like him are defeated in the next election because "[t]here are trillions of reasons to fire Harry Reid—including one for every dollar of the Reckless, Endless, and Insurmountable Debt (REID) he and the rest of Obama's cronies have saddled Americans with" but again such speech is this Committee's first amendment right. Theoretically, any governmental action to selectively silence a committee through regulatory or administrative action based on the content of its political speech, including its own name, would be an untenable action and purely unfathomable in light of our modern American jurisprudence.

### Conclusion

Based upon the forgoing and the information publically available to the Commission, including the information found at the internet links provided in this response, we respectfully urge the Commission to dismiss this matter without further action:

- because the available information, when taken together, fail to give rise to a reasonable inference that a violation of Act and regulations, as interpreted by controlling federal court cases, has occurred; and/or,
- because the available information, when taken together, fail to give rise to a reasonable inference that even if the allegations were true, such actions would not constitute a violation of the law in light of controlling federal court cases, including those cases on political speech and independent expenditures.; and/or
- because the available information, when taken together, demonstrate the matters of this nuisance complaint filed by a vexatious complainant, do not warrant the further use of resources when such matters are not deemed high priority and/or pose to perpetuate a continuing abuse of the Commission's enforcement process,

Alternatively, if, based on the forgoing, the Commission believes that this Committee has missed the benefit of certain pre-existing guidances or instructions, or is in need of new guidance on the interpretation of 2 U.S.C. § 432(e)(4) (now 52 U.S.C. § 30102(e)(4)) in light of controlling federal court cases with regard its first amendment rights as an independent expenditure-only committee and the limits thereof with respect to this Committee's ability to choose its own name, and/or has additional post-Citizens United rules or instructions on the registration and naming an independent expenditure-only committee beyond the IE-Only Letter that the Commission has provided, Beat REID PAC stands ready and willing to receive such guidance, rules or instructions, and we respectfully request that we be provided the opportunity

<sup>18</sup> See Beat REID PAC's website at: <https://www.beatreidpac.com/>



to review and incorporate such additional materials into its operations and supplement this response in advance of the Commission evaluating this Matter Under Review in its Enforcement Priority System, assigning this Matter Under Review to Enforcement Division and/or finding a "reason to believe" Beat REID PAC has committed a violation of the law.

If you require additional information, or if I can be of any assistance, then I can be reached at (512) 354-1784 or (202) 615-2353.

Sincerely,

A handwritten signature in black ink, appearing to read "Shannon L. O'Leary".

Shannon L. O'Leary

1005 Congress Ave  
Suite 350  
Austin, TX 78701  
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T | 202.417.3529

# STATEMENT OF DESIGNATION OF COUNSEL

Please use one form for each Respondent  
FEC Fax (202) 219-3923

MUR #: 6891

Name of Counsel: Chris K. Gober  
Karen Blackistone  
Shannon O'Leary

Firm: Gobcr Hilgers PLLC

Address: 1005 Congress Avenue, Suite 350  
Austin, TX 78701

Telephone: (512) 354-1783

Fax: (877) 437-5755

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The above-named individual and/or firm is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

11/21/2014

Steve Rebillot  
Steve Rebillot (Nov 25, 2014)

Treasurer

Date

Respondent Signature

Title

Respondent's Name: Steve Rebillot

Address: 2657 Windmill Parkway, Ste 515, Henderson, NV 89074

Home Telephone: 512-354-1787

Business Telephone: 512-354-1787

Information is being sought as part of an investigation being conducted by the Federal Election Commission and the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) apply. This section prohibits making public any investigation conducted by the Federal Election Commission without the express written consent of the person under investigation.

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Fax: (877) 437-5755

The above-named individual and/or firm is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

BY: Steve Rebillot, Treasurer

|            |  |           |
|------------|--|-----------|
| 11/21/2014 | <u>Steve Rebillot</u><br>Steve Rebillot (Nov 25, 2014) | Treasurer |
| Date       | Respondent Signature                                   | Title     |

Respondent's Name: Beat REID PAC

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